

SENATE TAXATION

EXHIBIT NO. 1

DATE 1.19.11

BILL NO. SB110

January 19, 2011

**SB110: An act allowing an exemption from property taxes, under certain conditions, for land owned by a taxpayer that includes a county road and associated easement.**

Introduced by John Brenden

I have long wondered why taxpayers have to pay property taxes to the center of the road, when they have no say over how, and by whom, the road and accompanying easement is used.

But as I read this bill, several things came to mind.

At first read, it seems written for farmers and ranchers with large tracts of land that border roads and have easements. I have property in the North Hills of the Helena valley and some of it borders a road. Although the property is a 40 acre parcel, it is in a platted and filed subdivision so would be excluded under this bill. Why does the proposed exemption exclude that type of property?

If a person reads a little more closely, in section (2)(a)(iii), one sees that the exemption does not apply to "tracts of land used for residential, commercial, or industrial purposes". About the only purpose left is recreational, because what is farming and ranching if not commercial? So the true purpose of, and who would benefit by, this bill is unclear.

My husband's family farm and our farm border several miles of roadway in NE Montana and it would be nice to get a tax break, but all this bill will do is shift taxes to others and make the taxes higher on our property that doesn't border roadways.

It would also increase the work load on county officials to process exemptions and create an accounting and paperwork nightmare.

For these reasons, my husband and I urge the members of the committee to vote no on this bill.

Thank you,

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